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OBJECTIVES OF THE FIVE-YEAR PLAN

Based on a comparison between 1939 and the 5-year period of 1949 - 1953, the plan provides a gradual increase of capital investments reaching a total of 400 billion leva during 1949 to 1953, computed on the basis of current prices, or 50 billion leva in 1939 prices. When the Council of Ministers approved the Five-Year Plan, it decided to increase the amount to 425 billion leva. This increase of 25 billion amounts to 3.1 billion in 1939 prices, and

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the total increase, in 1939 prices, amounts to 53.1 billion leva. Similarly, assuming that the total amount of investments in 1939 was 4 billion leva, and 14 billion during the 1944 - 1948 period [giving a yearly average of 2.8/ (9 billion of which fall in the 1947 - 1948 period [yearly average of 4.5/), the increase for the 1949 - 1953 period, based on a yearly average of 10 or 10.6 billion leva, would exceed the amount for 1939 by $2\frac{1}{2}$ times [4 billion into 10/], the yearly average for 1944 - 1948, by $3\frac{1}{2}$ times [2.8 into 10/], and the yearly average of 1947 - 1948, by $2\frac{1}{2}$ times [4.5 into 10/].

As a result of the increased volume and circulation of capital investments and the corresponding effect on production, the total value of fixed capital provided by the plan and based on 1939 prices, in a final analysis, would amount to 162 percent of the figure in 1939 and 90 percent in comparison with 1948.

The amounts of investment funds, as well as their respective increases, vary with the specific economic sectors to which they are assigned. The highest total will be reached in 1953 by industry with 34.6 billion leva, followed by transportation with 31.2 billion, and agriculture with 9 billion. The funds for educational, social, and communal construction will be raised to 8 billion leva, the exchange and distribution fund to 3.6 billion, and the postal, telegraph and telephone communications funds to 2.9 billion leva.

The most noticeable increase is apparent in agricultural funds, which are increased $5\frac{1}{2}$ times, followed by educational, communal, and social investments, over $2\frac{1}{2}$ times; industrial funds, 2 times; transportation, over $1\frac{1}{2}$, and exchange and distribution with an insignificant increase.

Following the increase in the volume of investments, the plan provides for a resulting increase in production value, which, still based on 1939 prices, will amount to 63 billion leva in 1948 and 112 billion in 1953. In industrial production alone, it will increase from 23 billion to 50 billion leva, in agriculture from 37 to 57 billion, and in railroad traffic from 1,955 kilometer-tons to 2,755 kilometer-tons.

In percentages, the increase of 1953 will be expressed as follows in comparison with those in 1948: the total volume of production will increase by 78 percent; industrial production, 119 percent; agriculture, 57 percent; and railroad traffic, about 41 percent.

The plan gives emphasis to export production, which will provide the necessary foreign currency for the purchase of imported goods.

The most important agricultural improvements will be introduced by the application of new technological and scientific methods, as well as by greater mechanization intended to increase the yield of every decare and to extend the cultivated area. The harvest of grain plants is expected to attain 150 kilograms per decare, and grain production will increase 20 percent in proportion to 1939. A substantial increase is also envisaged in the production of industrial plants, whereby the cultivated area will increase by 48 percent in proportion to 1939; the production of oleaginous plants will increase by 71 percent; the production of textile plants, 200 percent; of tobacco, 17 percent, of sugar beets, 113 percent; of fruit, 107 percent; of grapes, 13 percent; and of vegetables, 280 percent, all in proportion to 1939.

Coming as a result of the reforms introduced in industrial and agricultural production, as well as in other fields of national economy, the status of socialization will also undergo an important change. The plan

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provides for greater participation of the socialized sector in the total sphere of production. Thus, for instance, in 1953 the state sector of industry will not be modified in proportion to 1948, whereas the cooperative sector will be increased from 1.1 to 2.9 percent, and the private sector will cease to exist altogether.

In rural economy, the state sector will represent 2.5 percent of the total production, while the share of farm cooperatives will increase from 22 to 60 percent, and the private sector will decrease from 97.8 to 37.5 percent.

The private sector will entirely disappear in wholesale trade, where state participation will increase from 64 to 70 percent, and the cooperatives will shrink from 36 to 30 percent.

In retail trade, the growth of the state sector will be still more significant: from 23 to 45 percent, whereas the cooperative sector will only grow from 44.5 to 50 percent. These increases will be obtained at the expense of the private sector, which, in 1953, will be reduced from 32.8 to a mere 5 percent.

Agricultural areas cultivated by state and cooperative farms will be extended from 3 million decares in 1948 to 30 million decares in 1953.

Likewise in 1953, the public sector, including all state and cooperative farms, will take over 60 percent of all agricultural production and 72 percent of grain production.

Increased production will be matched by an increased national income. According to the provisions of the Five-Year Plan, the national income of 1953 will be twice as large as in 1939, or, 96 billion leva in 1953 as against 47 billion in 1939.

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